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The need for a common method to denote grain quality and condition became apparent in the late 1800's. Grain had begun moving from Mississippi Valley producing areas to consuming and exporting centers. Most trading was based on local terms and rough standards that had little meaning elsewhere. Buyers and sellers, especially those in distant markets, were reluctant to use these standards. This lack of confidence often caused large price fluctuations and tended to depress grain prices.

Trade groups tried unsuccessfully for many years to establish a system of standards that could be applied uniformly throughout the United States. Finally, as it became more apparent that national uniform standards and inspection procedures could not be established through industry efforts, Congress passed the U.S. Grain Standards Act (Act) on Aug. 11, 1916.

The Act provided for promotion and protection of grain in interstate and foreign commerce. It also set up an official inspection system that would promote orderly marketing and facilitate trading by use of official grading standards. Since its promulgation, the Act has been amended six times, most recently on Sept. 29, 1977.

Official U. S. Grain Standards, administered by the Federal Grain Inspection Service (FGIS), U.S. Department of Agriculture, identify and measure certain properties of grain that affect ways the grain can be used, stored, and transported. They also serve as a common language to help producers, distributors, and users to buy and sell the products and to measure the values, risks, and benefits involved in marketing.

Constantly changing growing practices, harvesting methods, storage procedures, merchandising methods, the development of new varieties, and more knowledge of end use properties occasionally make it necessary to change or revoke current standards or develop new standards. FGIS continuously reviews the standards for potential or needed changes.

#### What is the procedure for establishing a grain standard?

This fact sheet will explain the procedure involved in establishing or revising Official U. S. Grain Standards. The process may be long and complicated, depending upon the nature of the action being considered.

The following diagram traces the path of a proposal from the beginning of the process to the end. Certain actions do not require that all steps in the diagram be completed. A major revision to an existing standard or establishment of a new standard would generally follow all the steps outlined.



- Internal Reviews & Industry Recommendations
- Proposal Considered
- Notice Published in Federal Register
- Impact Analysis Developed
- News Release Issued - Study Draft Issued - Public Meetings Held
- Comment Period & Comment Evaluation
- Proposed Rule published in Federal Register
- Comment Period & Comment Evaluation
- Final Impact Analysis
- Final Rule Published in Federal Register
- News Release Issued

Although certain steps in the procedure may be altered to some extent, the Federal Register remains a common factor for all proposals.

#### Where does the process begin?

Before FGIS can establish, amend, or revoke any of its rules, regulations, and standards, it is required by law to announce its intentions in the Federal Register. The Federal Register is a legal newspaper in which Federal agencies publish regulations, orders, standards, and other documents. It is published weekdays by Office of the Federal Register and informs citizens of regulatory actions by the various agencies of the government.

To inform the public of major proposed revisions or new standards under consideration by the Standardization Division of FGIS, marketing specialists often publish an advance notice of proposed rulemaking in the Federal Register. This advance notice gives interested persons an opportunity to respond to pending action on the standards.

USDA also distributes notices with attachments of Federal Register publications to individuals and organizations concerned with regulatory action on certain issues. Mailing lists are compiled to give broad distribution to inform the trade of Federal Register items of interest. Interested parties may be added to mailing lists by sending a request to the Standardization Division, address shown at the end of this fact sheet. Copies of the Federal Register should be available at the library or county courthouse or from the FGIS Compliance Division, address also shown at the end of this fact sheet. Be sure to specify which proposal you wish to receive. For further information, contact the FGIS specialist mentioned in the notice.

#### Study Drafts

After the advance notice has been issued, marketing specialists prepare a draft impact analysis, which provides the analytical base for a proposal. This analysis explains the courses of action available and the various impacts of each alternative.



Based on this analysis, a study draft may be prepared if necessary, to solicit public comment from interested parties. A study draft is just that -- a draft, not an official formal proposal. The purpose of a study draft is to explain any changes or new standards being considered and to invite comments and ideas from those who may be affected before a formal proposal is made. Study drafts are distributed as widely as possible to encourage all interested persons to respond.

### Public Meetings and News Releases

News releases are issued to news media, consumer organizations, consumer writers, State departments of agriculture, grain trade associations, and other grain industry groups to announce significant proposals. These releases are also used to give notice of public meetings or hearings held to explain proposals.

USDA occasionally conducts public meetings and briefings to clarify the issues and answer questions. These meetings provide an open discussion of the effects and the purpose of the proposed action. Persons wishing to give oral comments may be scheduled to participate in public meetings conducted by USDA.

Interested groups may schedule meetings with standardization specialists by contacting the Standardization Division.

### What is the purpose of the comment period?

After publication of a notice or proposed rule in the Federal Register, a comment period of usually 60 days is allowed for interested persons to submit their data, views and arguments. An original and one copy of all written comments should be sent to the FGIS Compliance Division. These persons will be given a time limit for presenting their data to afford all participating parties enough time to give their views.

All comments received by FGIS are considered in determining the course of action. The formal comments, filed with the Director, Compliance Division, become part of official USDA records and are generally available for public inspection.

At times, groups or individuals may request more time to study a proposal. If the request is justified, the comment period may be extended through publication in the Federal Register. A news release is issued to announce the extension. To justify an extended comment period, the requesting group or individuals must demonstrate to the FGIS Administrator that a significant need exists.

### How are public comments used?

To make decisions when establishing, amending or revoking a standard, marketing specialists need well-reasoned public comments based on sound data, information in publications, and the latest research data available. Input from researchers, producers, the grain industry, foreign buyers, and others is evaluated. USDA then decides whether there is sufficient justification and support for a formal proposal. If not, the proposal is withdrawn, and a notice to that effect is published in the Federal Register.

### How is the standard finalized?

The proposal is again published in the Federal Register as a Notice of Proposed Rulemaking, after all changes have been made by standardization specialists according



to information already received. A comment period, usually 60 days, provides an opportunity for interested parties to give views and arguments on this proposed rule. After the 60-day period ends, marketing specialists evaluate all information received and develop another impact analysis.

This is the Final Impact Statement. It explains the course of action to be taken and the reasons for this choice. It also investigates the social, economic, and environmental impacts and the inflationary and compliance burdens of the proposed action.

Based on the Final Impact Statement and all information gathered during this comment period, the Final Rule is developed. This final document is published in the Federal Register as it will appear in the Official U.S. Grain Standards. News releases are then published to end the process as it began -- by informing the public.

A grain standard, as required by the U.S. Grain Standards Act, cannot become effective in less than 1 year after promulgation, unless in the judgment of the Administrator of FGIS, the public health, interest, or safety require that it become effective sooner. FGIS attempts to make the effective date conform to the beginning of the crop year or precede it so the action will not disrupt the marketing of a crop.

The entire procedure may take from 9 months to several years depending upon the grain or commodity involved, the type of changes, availability of data, and the problems that may occur.

For further information contact:

Standardization Division

U.S. Department of Agriculture

Federal Grain Inspection Service

Building 221

Richards-Gebaur AFB

Grandview, MO 64030

Comments on items published in the Federal Register may be sent to:

Compliance Division

Attention: Comments Section

USDA, FGIS

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